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STATEMENT TO THE PRESIDENTS OF THE CONSTITUENT COMPANIES OF THE UNITED STATES
STEEL CORPORATION¹

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Commission on the Church and Social Service, Federal Council of the
Churches of Christ in America

GENTLEMEN: I greatly appreciate Judge Gary's invitation to appear before you. Even as an invited guest it would be very presumptuous for me, in an individual capacity, to address you on the labor policy of the Steel Corporation; but I appear on behalf of a committee appointed by the Commission on the Church and Social Service of the Federal Council of Churches. This Commission is not a newly created body; it has not been called into existence by current strikes, or by the war, or by the reconstruction problems arising after the war; it has been in existence several years, and its position on industrial relations has been known to the churches for ten years or more.

Its particular function is to keep the churches informed, through the religious press and otherwise, about social and industrial questions; and to help to formulate recommendations in regard to particular situations which involve ethical, moral, or religious factors, and on which the churches should take a position.

Although this Commission has on it some able men, it does not aim to do the thinking for the churches; and although there are on it some earnest and devout men, they do not conceive that they have the conscience of the churches in their keeping. This Commission is merely an investigating, an advisory, an educational body, representing a co-operative effort on the part of all the great evangelical Protestant churches—Methodist, Presbyterian, Congregational, Baptist, Protestant Episcopal, and the rest—to economize labor and increase efficiency in getting at the

¹On behalf of the Federal Council of the Churches of Christ in America, Commission on the Church and Social Service.

salient facts in industrial controversies, and also the underlying facts of working and living conditions. Its purpose, as you see, is to enable the preachers in their pulpits and the editors of the religious press to deal sanely, candidly, and helpfully with these situations. Sometimes we have done our part merely by conference and correspondence; sometimes we have felt constrained to make public a statement of the issues involved in a controversy and of our findings in regard to the moral questions involved. In these connections we have often discussed the one-day rest in seven, the length of the working day, and the principle of collective bargaining.

When our committee, Rev. Paul More Strayer, Shelby Harrison, and myself, called on Judge Gary on December 2, it was partly in order to communicate to him, and through him to those who are responsible for the labor policies of the United States Steel Corporation, our position on these questions; but more especially to obtain from him, or from such sources as he might indicate, any information not already in our possession which should be taken into account in any statement which we might think it appropriate to send to our constituent bodies in regard to the strike in the steel industry.

To recapitulate the substance of that discussion, we mentioned, merely to narrow the issues:

1. That, unlike many other industrial disputes which we had occasion to investigate, the question of a living wage is not, as far as we could ascertain, especially involved in the present controversy.

2. That the unfortunate agitation against foreigners as such, which is becoming altogether too common in the daily press and in much current discussion, had not, as far as we knew, been countenanced by the Steel Corporation, and that at any rate Judge Gary's own published statements had evidently carefully avoided any references which would add fuel to such indiscriminating, anti-alien sentiment.

3. That the seven-day week, although restored in some measure under the pressure for the production of war materials, would be eliminated, as we understood, in the near future, in accordance with the earlier established and clearly defined policy of the Corporation. We were assured by Judge Gary that this was correct.

We would also, if there were occasion to do so, very gladly call attention to the enlightened policies of the Corporation in regard to the prevention of accidents and in regard to welfare work.

We were thus brought to the consideration of the two issues which are of immediate interest here: the twelve-hour day and collective bargaining.

Referring to the published estimate that about one-fourth of the employees were working twelve hours a day, we assumed that this included all of the employees of the United States Steel Corporation: those who are working in mines or on railways or in other operations in which the Corporation is engaged, as well as in the production of steel; and that if the estimate were to include only those actually engaged in the manufacture of steel, the proportion would be much larger, possibly 50 or 60 per cent. Judge Gary said that this might be correct, and that at any rate there would not be the slightest objection to making known what proportion of the steel workers, as distinct from the proportion of all persons in the employ of the United States Steel Corporation, are working a twelve-hour turn. I presume that I need hardly take up your time with a discussion of the twelve-hour day on its merits. Your own committee of stockholders, of which Stuyvesant Fish was chairman, in its report of April 15, 1912, expressed the opinion "that a twelve-hour day of labor, followed continuously by any group of men for any considerable number of years, means a decreasing of the efficiency and lessening of the vigor and virility of such men." Your committee of stockholders asked then, as we ask now, that "the question should be considered from a social as well as a physical point of view," and they urged upon "the intelligent and thoughtful consideration of the proper officers of the Corporation" that "steps should be taken now—i.e., seven and a half years ago—that shall have for their purpose and end a reasonable and just arrangement for all concerned." I am quoting from the official statement of the testimony of Judge Gary before the Senate Committee with which this 1912 report of the Committee of Stockholders is incorporated. At that time 25 $\frac{3}{4}$ per cent of all your employees were working twelve hours a day, according to the report of the stockholders' committee. The proportion of all

employees now working the twelve-hour turn, according to Judge Gary's statement before the Senate Committee, is $26\frac{1}{2}$ per cent. The actual number of men working twelve hours a day, seven and a half years ago, was 45,248. When Mr. Gary made his statement, it was 69,284—an increase of 24,036, or considerably more than 50 per cent. More than 100,000 men were working ten hours a day.

The fact that a basic eight-hour day has recently been adopted as a basis for pay, and that time and a half is allowed over eight hours, is of course of interest in connection with wages, but it is wholly irrelevant from our point of view in discussing the objections to the twelve-hour day. No doubt this change gives the men a financial inducement to favor the twelve-hour day, and to that extent it may shift the responsibility from the Corporation to the workers; but the physical and moral effect remain the same. Whether the long day is desired by the employer, in the interests of profits; or by the worker, in the interest of wages; it is equally disastrous to the family life of the workers and equally disastrous to the American community conceived as made up of self-governing citizens. The churches are interested in the character of individuals, in the homes of the nation, and in the kind of neighborhoods or communities of which the nation is made up, and it is their testimony, gentlemen, that the twelve-hour day, which as your own committee pointed out, means an absence of at least thirteen hours from the family, deprives the children of the parental oversight to which they are entitled; deprives the mothers of the full partnership to which they are entitled from their husbands; deprives the men of the chance to get acquainted with their children and the free time which their physical and social well-being demands. It is the view of the churches, expressed in many platforms and resolutions, that a twelve-hour day for industrial wage-earners means overwork. We are quite aware that farmers and professional men often work longer, but the compensations are so obvious that it would be an insult to your intelligence to dwell upon them. The question which we raise and press with all the earnestness at our command is whether any corporation has the right, for any considerable number of years, to "decrease the efficiency" and "lessen the vigor and virility" of their men; whether any employing cor-

poration, even if, for the bribe of overtime pay, the workers themselves acquiesce, has a right to deprive American families of the presence of the head of the family for thirteen hours of the day; or the right to deprive the community of the vigor and virility of its citizens. There is a true Americanization program and many false Americanization schemes, but it is a part of any sound plan of Americanization that workers shall have free time for their families, or self-improvement for the discharge of their community obligations. It has been urged that workers spend their leisure time, when they have any, at saloons instead of at evening schools or in the churches. This difficulty, at any rate, has now been removed. We are to have no more saloons. The moment is opportunity, therefore, to reconsider any policy based upon that argument.

We are of course not prepared to solve the financial and technical problems involved in changing from a twelve-hour to an eight-hour day. Experience shows that they are not incapable of solution. All the tendencies throughout the world have been moving irresistibly in the direction of the eight-hour day. The International Labor Conference in Washington has just declared for it. Whether the change could be made in such a way as to enable your workers to earn in eight hours what they are now earning in twelve, without unduly reducing profits or increasing the price of your products, you must know far better than we. The cost of the change was estimated, I believe, by the experts of the Department of Labor to be about 2 per cent in the production of pig iron, and 6 per cent in the case of finished steel products. Your own estimates may be different. The cost, whatever it may be, might have to be divided, part falling on profits, part on wages, and part on the ultimate consumer. That it should all fall on labor would of course be impossible, for if common labor were to be paid for eight hours at the current rate of forty-two cents an hour, the earnings would obviously be below a living wage and below what common labor is commanding in the open market. As I have said, we do not come with any ready-made solution of these questions, which we assume are occupying your attention, but only to inquire whether we may report to our constituent bodies the cheering message that, whatever it may cost, there is hope of an early and

complete abolition of the twelve-hour day in the steel industry, and whether there is reasonable expectation that this may be done without any substantial reduction in the standard of living of the families dependent upon that industry for their support.

We come finally to the subject of collective bargaining. On this subject the Commission on the Church and Social Service, which we here represent, made a statement under date of July 1, 1919. This statement reaffirms our approval of the policy of trade agreements between employers and labor organizations. We have never advocated the closed shop, but we have advocated the right of workers to form unions and to have the advantage of collective bargaining in which the workers would be represented by representatives of their own choice. Judge Gary informed us, and it is common knowledge, that the United States Steel Corporation has a different policy in this respect; that it declines to have dealings with the unions; that it insists on the right of its employees to deal directly with the companies rather than indirectly through the unions. In our conference on December 2 we urged that the right of an individual workman to remain outside a union is at least no more sacred or important than the right to belong to a union; and we asked whether the alleged policy in some places of discharging men and blacklisting men, merely because of their activity in trying to form unions, should not be once for all repudiated, and the policy of the open shop so interpreted as to put no obstacle in the way of legitimate unions wherever the workers desire to have them.

However, we are not here today to discuss this question. We assume that nothing that we could say would be likely to change your attitude in a matter in which your decision has been so clearly formulated and so frequently announced. We venture, however, to raise a more fundamental question: whether you have unions among your workers or not, and, if you have, whether they are craft unions, each controlling a particular group of workers, or of some different type such as that which would embrace all the workers of a plant; is it not fair to assume that the time has come when the Steel Corporation must devise and put into practice some affirmative policy for dealing collectively with its workers? We

believe in the integrity of the labor movement, but we are not its spokesmen. Without in any way compromising the right of the unions to speak for themselves and to exert in their own way whatever influence they may establish, we think it reasonable to ask whether, in view of your decision not to deal with them, you are ready to inaugurate any plan—any sincere plan of industrial relations in the steel industry which will satisfy the principle of democratic representation. There must be some industrial structure natural to the steel industry, and it should not be beyond the wit of the directors and officers of the company to discover this natural and appropriate form of organization. If it is not the unions, what is it? On this subject the statement of the Social Service Commission to which I have referred has the following to say:

A deep cause of unrest in industry is the denial to labor of a share of industrial management. Controversies over wages and hours never go to the root of the industrial problem. Democracy must be applied to the government of industry as well as to the government of the nation, as rapidly and as far as the workers shall become able and willing to accept such responsibility.

If the Steel Corporation would come forward at the present time with a statement that they will deal with their employees collectively; that they will make no discrimination against unions or against those who have been on strike; that there will be no reprisals for strike activity; that a scheme of industrial representation, whether originally proposed by the corporation or by the companies or by the men, shall be at any rate made satisfactory both to the companies and to the workers; and that, as the first problem to be dealt with, the elimination of the twelve-hour day shall be put squarely up to a representative council or conference, or whatever it might be called, in which workers are represented on some plan to which they have agreed—this would, I believe, not only settle the present controversy, with good feeling, but might go far to influence the industrial development in other basic industries in the years immediately ahead. The introduction of such a labor policy would release enthusiasm and loyalty, creative interest, and motive to hard work which would compensate for the entire cost of the eight-hour day and any other improvements in the human side of the industry which you might decide to be desirable.

However, you will understand that this is only a personal opinion. I have no authority, either from the workers or from the churches, to propose any specific plan. I am here, in connection with this matter as in connection with the twelve-hour day, merely to ask whether I may not carry some message of hope and encouragement to those who are anxious and have reason to be anxious about industrial relations; to those who believe, as we think that you believe, that boards of directors have not merely a financial responsibility for safeguarding the interests of stockholders, but also a human responsibility for safeguarding the interests of their workers. May we say to the churches that your attitude is not merely negative; that you have an affirmative labor policy which reasonable workers, conscious of their mutual relations to other workers, conscious of their responsibility for maintaining wages, standards of living, and freedom to associate with others for the promotion of their common purposes, might reasonably accept? Whatever you can say to us in these directions will be reported faithfully and carefully weighed by those who have no other desire than to help to clarify public opinion and to promote a fair understanding of the industrial situation.¹

Statement by Mr. F. E. Johnson of the Commission on the Church and Social Service: After Mr. Devine presented his statement before the presidents of the steel companies, a considerable interval passed during which no word was received from the steel corporation. Dr. Strayer then wrote Mr. Gary, and he said that as yet no action had been taken but that another meeting was to be held a little later. I called up Mr. Leet, Mr. Gary's secretary, twice, to know what was the status of the matter and whether any further statement was forthcoming from the corporation. Between these two conversations with Mr. Leet, I wrote to Mr. Gary but received no reply from him. Mr. Leet seemed to be quite ignorant of the whole matter beyond the mere fact that a statement had been made by Mr. Devine. The last word that I had from the office, Mr. Leet knew of nothing that was forthcoming and saw no reason why we should not make any use of Mr. Devine's statement that we desired.

¹ When Dr. Devine's statement was received from the Editorial Council of the Federal Council of Churches, application was immediately made for copy of the reply by the steel corporation. In response we received the subjoined statement which will explain itself.—EDITORS.